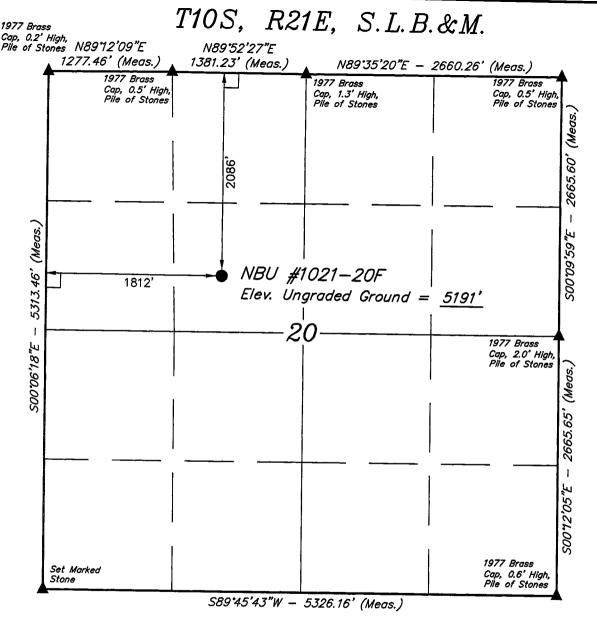
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

 D 8 4	_
 RM	- 3

AMENDED REPORT (highlight changes)

the state of the s	Δ	PPLICA	TION FOR	PERMIT TO	DRILL		5. MINERAL LEASE NO: UTU-02278	6. SURFACE: State
1A. TYPE OF WO	DRK: DF	RILL 🔽	REENTER	DEEPEN			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WE	ill: OIL 🗌	GAS 🗹	OTHER	SIN	GLE ZONE MULTIPLE ZON	IE 🗾	8. UNIT OF CA AGREEMENT UNIT #89100890	
2, NAME OF OPE	ERATOR: SEE OIL & G	SAS ONSH	ORE L.P.				9. WELL NAME and NUMBE NBU 1021-20F	R:
3. ADDRESS OF 1368 S 120	00 E	CITY VER	NAL STAT	UT ZIP 84	078 PHONE NUMBER: (435) 781-7024		10. FIELD AND POOL, OR V NATURAL BUTT	
	WELL (FOOTAGES 2086'FNL,	•	621497×		39,934791		11. QTR/QTR, SECTION, TO MERIDIAN:	
	PRODUCING ZON		44212	784	-109.578061		SENW 20 10	S 21E
14. DISTANCÉ IN	MILES AND DIREC	CTION FROM NE	AREST TOWN OR PO	ST OFFICE:			12. COUNTY:	13. STATE:
			F OURAY, UT				UINTAH	UTAH
1812'	O NEAREST PROPI	ERTY OR LEASE	LINE (FEET)	16. NUMBER O	F ACRES IN LEASE: 1440.00	17. NU	JMBER OF ACRES ASSIGNE	D TO THIS WELL:
APPLIED FOR	O NEAREST WELL R) ON THIS LEASE O TOPO C		PLETED, OR	19. PROPOSED	9,480	l	DND DESCRIPTION: B0005237	
	S (SHOW WHETHER	R DF, RT, GR, ET	°C.):	22. APPROXIM	ATE DATE WORK WILL START:		STIMATED DURATION:	
5191'GL								
24.			PROPOS	ED CASING A	ND CEMENTING PROGRAM			
SIZE OF HOLE	CASING SIZE, C	GRADE, AND WE	IGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QU	ANTITY,	YIELD, AND SLURRY WEIGH	Ť
12 1/4"	9 5/8	32.3#	H-40	2,000	265 SX CLASS G 1	1.18 Y	TELD 15.6 PPC	3
7 7/8"	4 1/2	11.6#	i-80	9,480	1990 SX 50/50 POZ 1	1.31 Y	IELD 14.3 PP	3
<u> </u>							···	
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25.				ATTA	CHMENTS			
VERIFY THE FOL	LOWING ARE ATT	ACHED IN ACCC	RDANCE WITH THE U	TAH OIL AND GAS C	ONSERVATION GENERAL RULES:			
✓ WELL PL	AT OR MAP PREPA	ARED BY LICENS	SED SURVËYOR OR EI	NGINEER	COMPLETE DRILLING PLAN			
<b>V</b> EVIDENC	CÉ OF DIVISION OF	WATER RIGHTS	S APPROVAL FOR USE	OF WATER	FORM 5, IF OPERATOR IS PE	RSON O	R COMPANY OTHER THAN T	THE LEASE OWNER
<del></del>		·						
NAME (PLEASE	BRINITY SHEIL	A UPCHE	<b>3</b> 0		TITLE SENIOR LANI	D ADI	MIN SPECIALIST	
WANE (FEEAOL	Mi	11	10/1/	MI	11166	<del></del>	<del></del>	
SIGNATURE	jus		yur c	An	proved by the	· · · · · · · · · · · · · · · · · · ·		
(This space for Sta	ate use only)			The Contract of the Contract o	hh Division of	RE	CENT	
API NUMBER AS	SIGNED 43	2-047-2	34527	OIL G	APPROVAL		CEIVED	
ALI NOMBER AS	GIGINED.		<u> </u>	Date:	10-18-07-1		G 1 6 2007	
(11/2001)				(See Instruction	ons on Reverse Side	OF O	IL, GAS & MINING	



(NAD 83)

#### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

#### LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

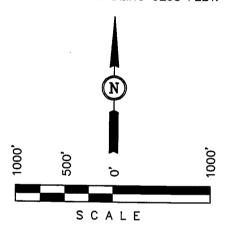
LATITUDE = 39'56'05.11" (39.934753) LONGITUDE = 109'34'43.55" (109.578764) (NAD 27) LATITUDE = 39'56'05.24" (39.934789) LONGITUDE = 109'34'41.07" (109.578075)

### Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-20F, located as shown in the SE 1/4 NW 1/4 of Section 20, T10S, R21E, S.L.B.&M., Uintah County, Utah.

#### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



REGISTERED CAND SURVEYED SEGNATION NO 181314

## Untah Engineering & Land Surveying 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) (89–1017					
SCALE 1" = 1000'		DATE SURVEYED: 12-27-06	DATE DRAWN: 12-27-06		
PARTY D.A. A.H.	S.L.	REFERENCES G.L.O. PLAT	<u> </u>		
WEATHER COOL		FILE Kerr-McGee Oil &	: Gas Onshore LP		

### NBU 1021-20F SE/NW SEC. 20, T10S, R21E UINTAH COUNTY, UTAH UTU-02278

#### **ONSHORE ORDER NO. 1**

#### DRILLING PROGRAM

#### 1. Estimated Tops of Important Geologic Markers:

<u>Depth</u>
0- Surface
1129'
1359'
1934'
4354'
7295'
8251'
8800'
9480'

#### 2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Substance	<u>Formation</u>	<u>Depth</u>
	Green River	1129'
Water	Top of Birds Nest Water	1359'
	Mahogany	1934'
Gas	Wasatch	4354'
Gas	Mesaverde	7295'
Gas	MVU2	8251'
Gas	MVL1	8800'
Water	N/A	
Other Minerals	N/A	

#### 3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program.

#### 4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

#### 5. <u>Drilling Fluids Program</u>:

Please refer to the attached Drilling Program.

The operator will use fresh water mud with 0-8% Bio Diesel.

#### 6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program.

#### 7. **Abnormal Conditions**:

Maximum anticipated bottomhole pressure calculated at 9480' TD, approximately equals 5878 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3792 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

#### 8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

#### 9. <u>Variances:</u>

Please refer to the attached Drilling Program.

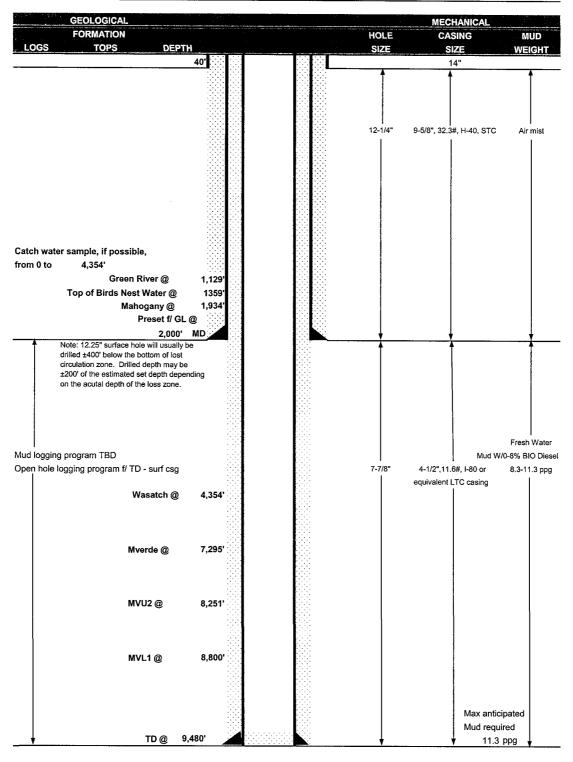
#### 10. Other Information:

Please refer to the attached Drilling Program.



## KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAM	E K	ERR-McGEE	OIL & GAS ON	SHORE LP	DATE	August 7, 2007			
WELL NAME	1	IBU 1021-	20F		TD	9,480'	MD/TVD		
FIELD Natur	ral Buttes	3	COUNTY Uinta	ah STA	ATE Utah	ELEVATION	5,191' GL	KE	3 5,206'
SURFACE LOCA	TION	SE/NW SE	C. 20, T10S, R2	1E 2086'FNL	, 1812'FWL	_		BHL	Straight Hole
		Latitude:	39.934753	Longitude:	109.578764				
OBJECTIVE ZON	NE(S)	Wasatch/M	lesaverde						
ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.									





#### KERR-McGEE OIL & GAS ONSHORE LP

#### DRILLING PROGRAM

#### **CASING PROGRAM**

				THE OWNER OF THE OWNER, WHEN				DESIGN FACTORS		
	SIZE	ΙŅ	TERV/		WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	14"		0-40'							
	İ							2270	1370	254000
SURFACE	9-5/8"	0	to	2000	32.30	H-40	STC	0.65******	1.46	4.49
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9480	11.60	I-80	LTC	2.23	1.14	2.09
		<u> </u>								

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD =

11.3 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

MASP 3485 psi

\*\*\*\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

#### **CEMENT PROGRAM**

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE L	AD 500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1		+ .25 pps flocele	-10	00 /0	10.00	1.10
TOP OUT CM	(1) 200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
		+ 2% CaCl + .25 pps flocele				,,,,,
TOP OUT CM	(2) as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to s		ion 2 will b	e utilized	
Option 2	AD 1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
		+.25 pps Flocele + 3% salt BWOC			·	]
	AIL 500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
		+ .25 pps flocele	i			Ī
TOP OUT	MT as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION L	AD 3,850'	Premium Lite II + 3% KCI + 0.25 pps	420	60%	11.00	3.38
	-	celloflake + 5 pps gilsonite + 10% gel				
	•	+ 0.5% extender				
	AIL 5,630'	50/50 Poz/G + 10% salt + 2% gel	1570	60%	14.30	1.31
		+.1% R-3				

<sup>\*</sup>Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

#### **FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.					
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.					
		-				

#### ADDITIONAL INFORMATION

Test casing head to 750	nei after inetalling	Test surface casing to	1 500 nei	prior to drilling out
root odding nodd to roo	por arter motaming.	Tool builded casing to	1,000 psi	prior to utiliting out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

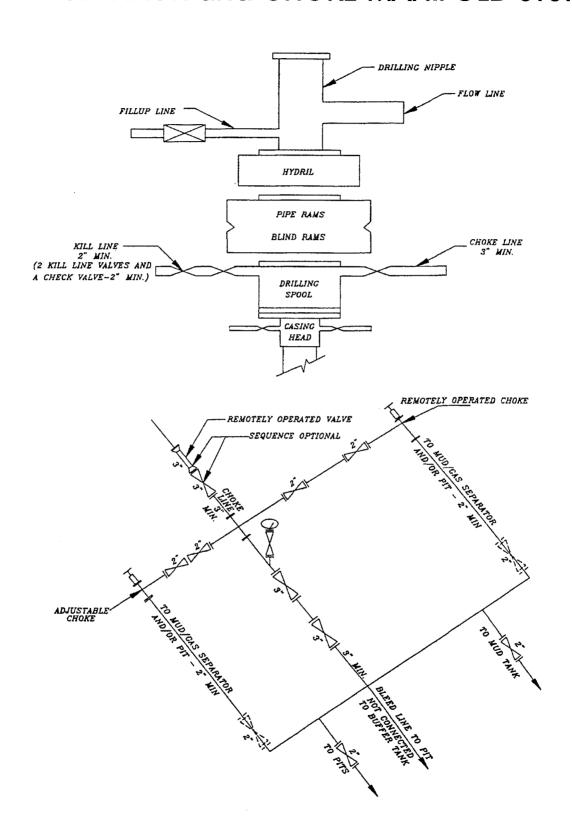
Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililized.

DRILLING ENGINEER:		DATE:
	Brad Laney	
DRILLING SUPERINTENDENT:		DATE:
	Randy Bayne	

<sup>\*</sup>Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

## 5M BOP STACK and CHOKE MANIFOLD SYSTEM



#### NBU 1021-20F SE/NW SEC. 20, T10S, R21E Uintah County, UT UTU-02278

#### ONSHORE ORDER NO. 1

#### **MULTI-POINT SURFACE USE & OPERATIONS PLAN**

#### 1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

#### 2. Planned Access Roads:

Approximately 0.6 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

#### 3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

#### 4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 3332' +/- of 4" steel pipeline and approximately 3280' +/- of 4" steel pipelines is proposed Please refer to the attached Topo Map D for pipeline placement.

#### 5. <u>Location and Type of Water Supply:</u>

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

#### 6. <u>Source of Construction Materials:</u>

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

#### 7. <u>Methods of Handling Waste Materials</u>:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

#### 8. Ancillary Facilities:

None are anticipated.

#### 9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be resurveyed

and a Form 9 shall be submitted.

#### 10. Plans for Reclamation of the Surface:

#### Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

#### Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

#### 11. Surface Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

#### 12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed on January 9, 2007 the archaeological report No. 06-676. The Paleontological report has been completed on April 26, 2007, the report No. 07-10, is submitted along with Application for Permit to Drill.

#### 13. <u>Lessee's or Operators's Representative & Certification</u>:

Sheila Upchego Senior Land Admin Specialist Kerr-McGee Oil & Gas Onshore LP 1368 South 1200 East. Vernal, UT 84078 (435) 781-7024 Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Upchego

8/8/2007

Date

## Kerr-McGee Oil & Gas Onshore LP NBU #1021-20F SECTION 20, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST: TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND THE EXISTING NBU #420 AND AN EXISTING ROAD TO THE NORTHWEST; PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.3 MILES.

## Kerr-McGee Oil & Gas Onshore LP

NBU #1021-20F

LOCATED IN UINTAH COUNTY, UTAH **SECTION 20, T10S, R21E, S.L.B.&M.** 

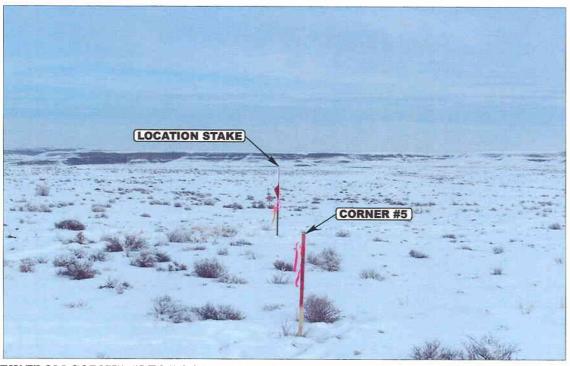


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: NORTHEASTERLY** 



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: NORTHERLY** 

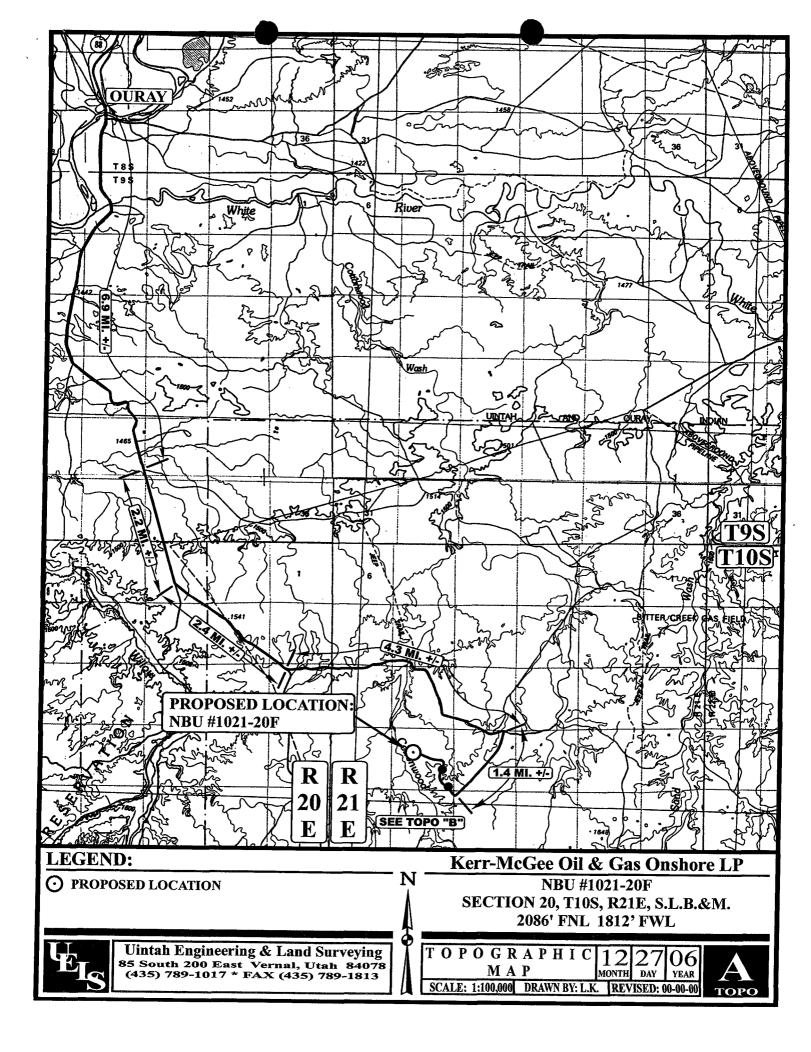


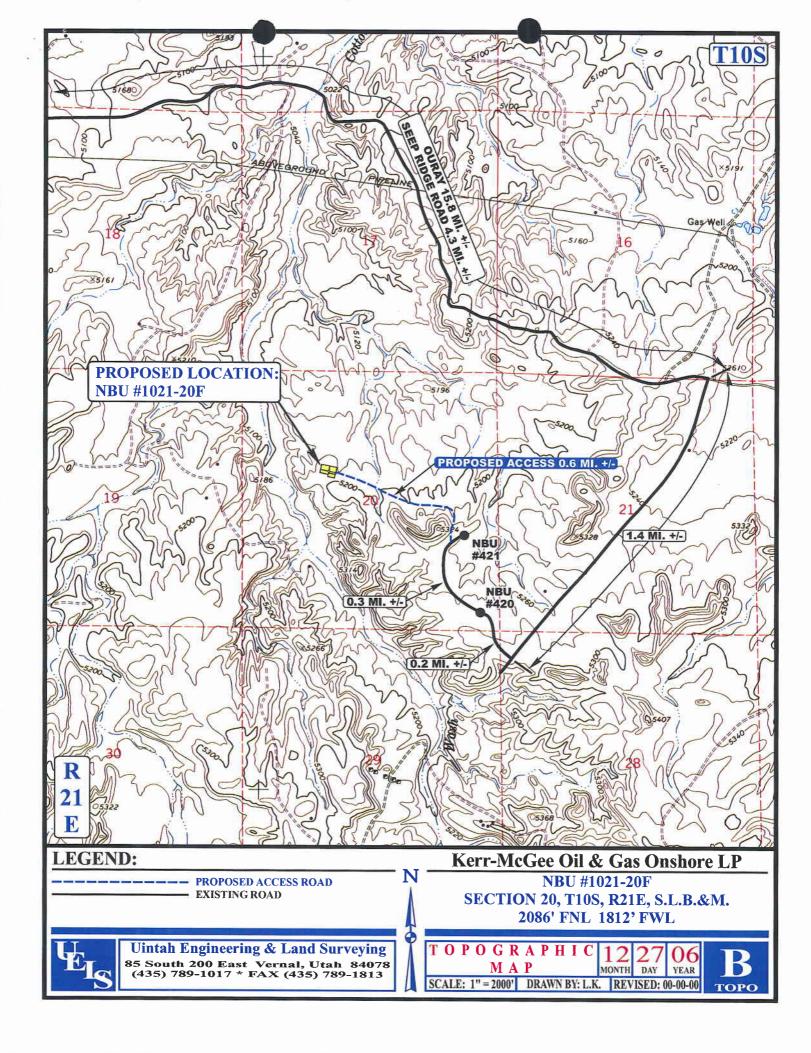
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 vels@uelsinc.com

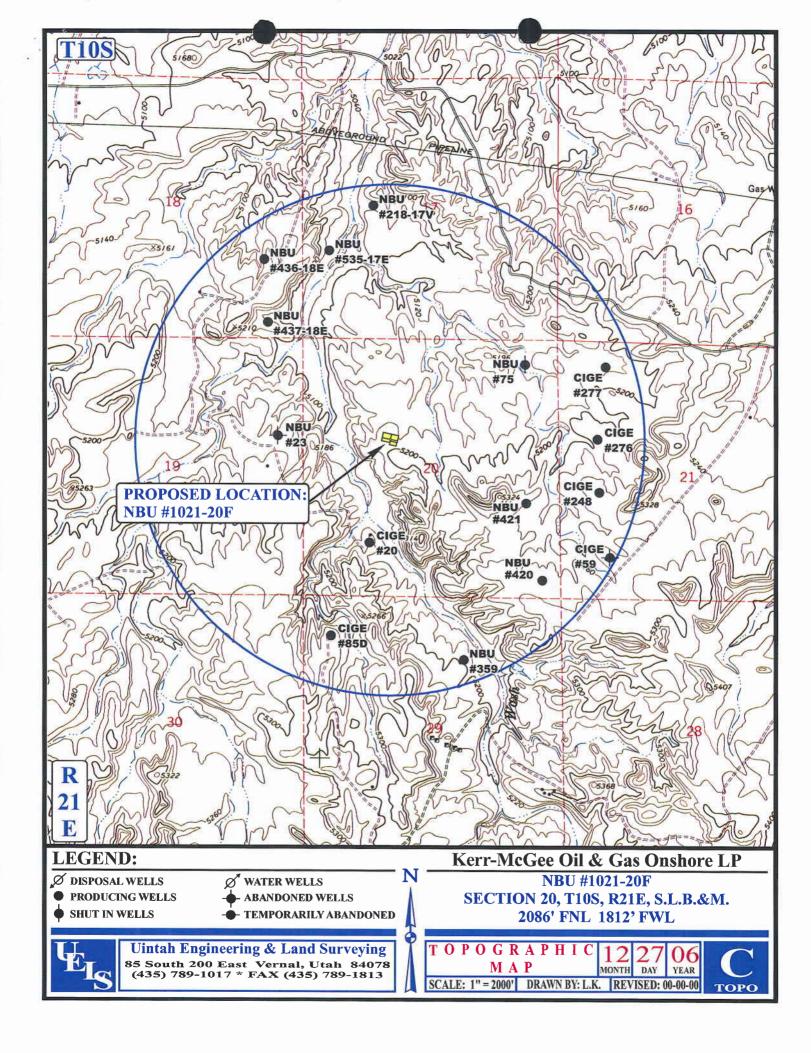
**LOCATION PHOTOS** 

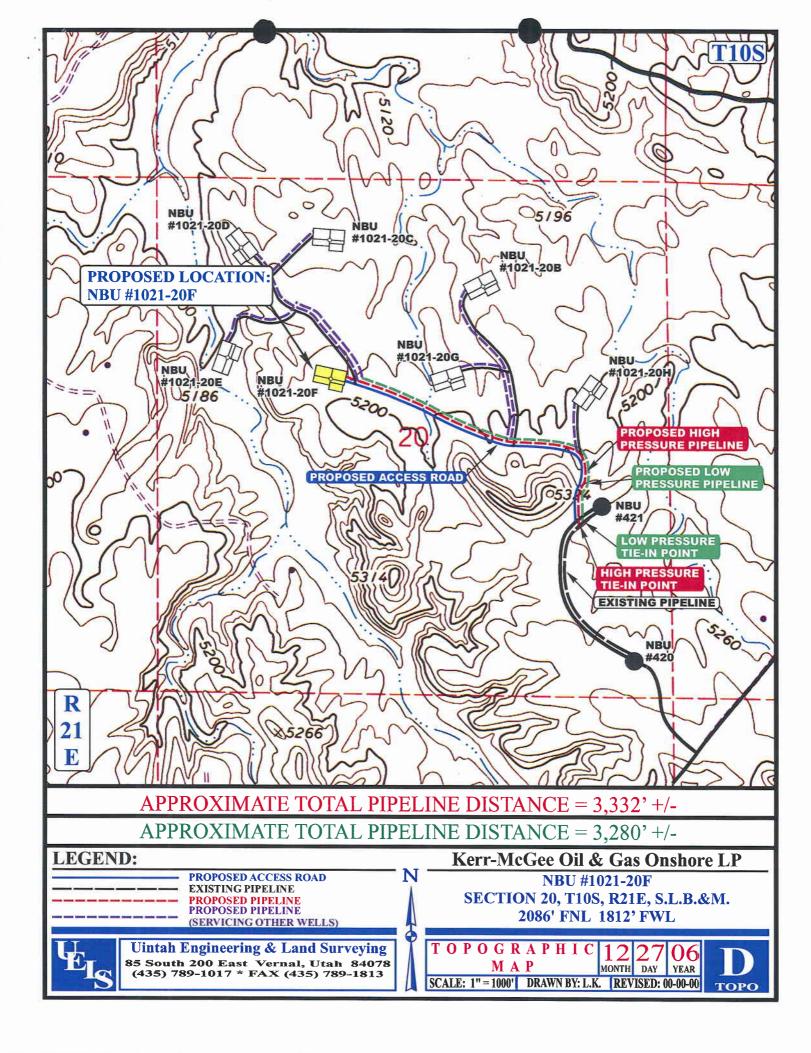
TAKEN BY: D.A. | DRAWN BY: L.K. | REVISED: 00-00-00

РНОТО









## Kerr-McGee Oil & Gas Onshore LP

NBU #1021-20F PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH SECTION 20, T10S, R21E, S.L.B.&M.

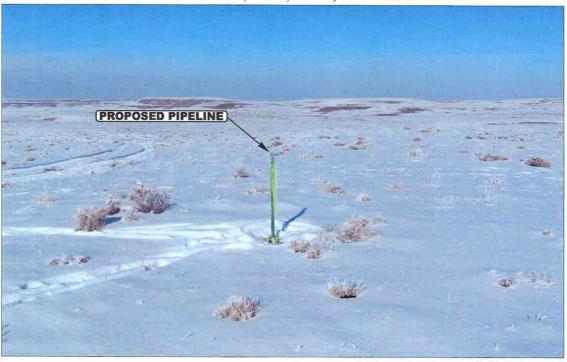


PHOTO: VIEW OF PIPELINE ALIGNMENT

**CAMERA ANGLE: NORTHERLY** 

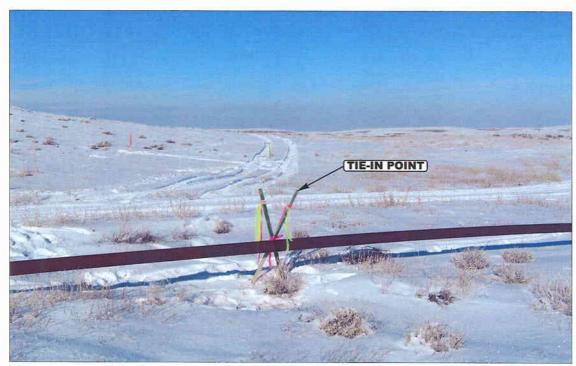


PHOTO: VIEW FROM TIE-IN POINT

**CAMERA ANGLE: NORTHERLY** 



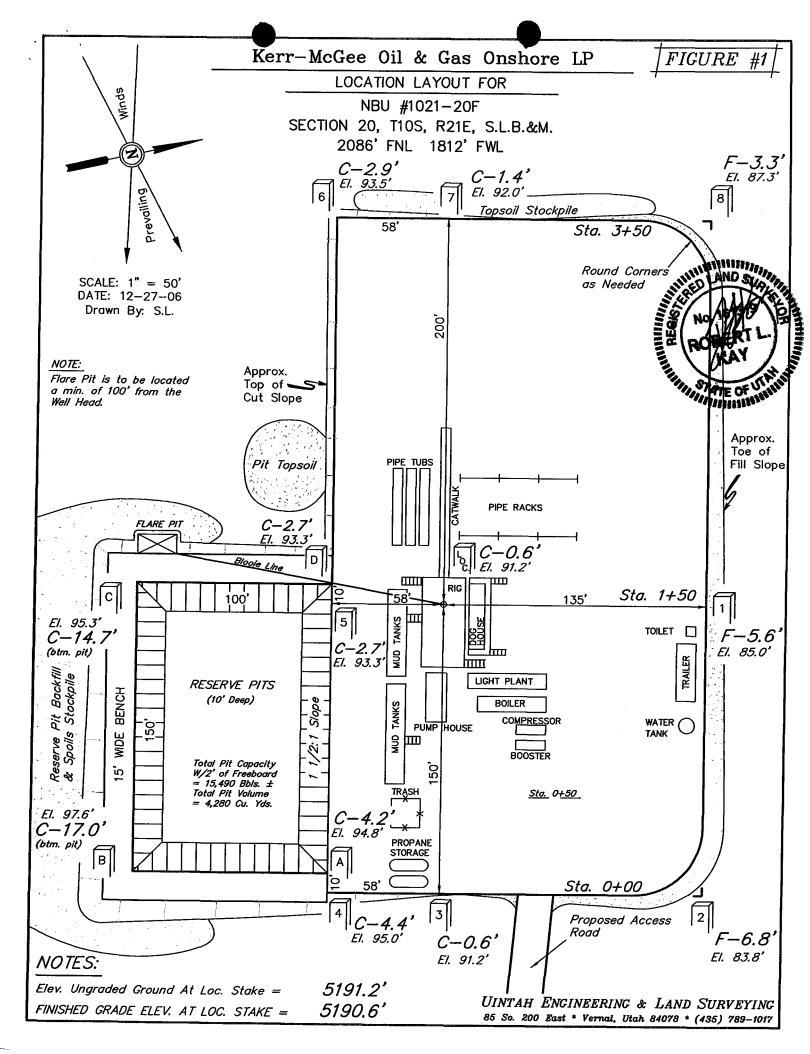
Uintah Engineering & Land Surveying S South 200 East Vernal, Utah 84078 435-789-1017 Vernal, Utah 84078 uels@uelsinc.com

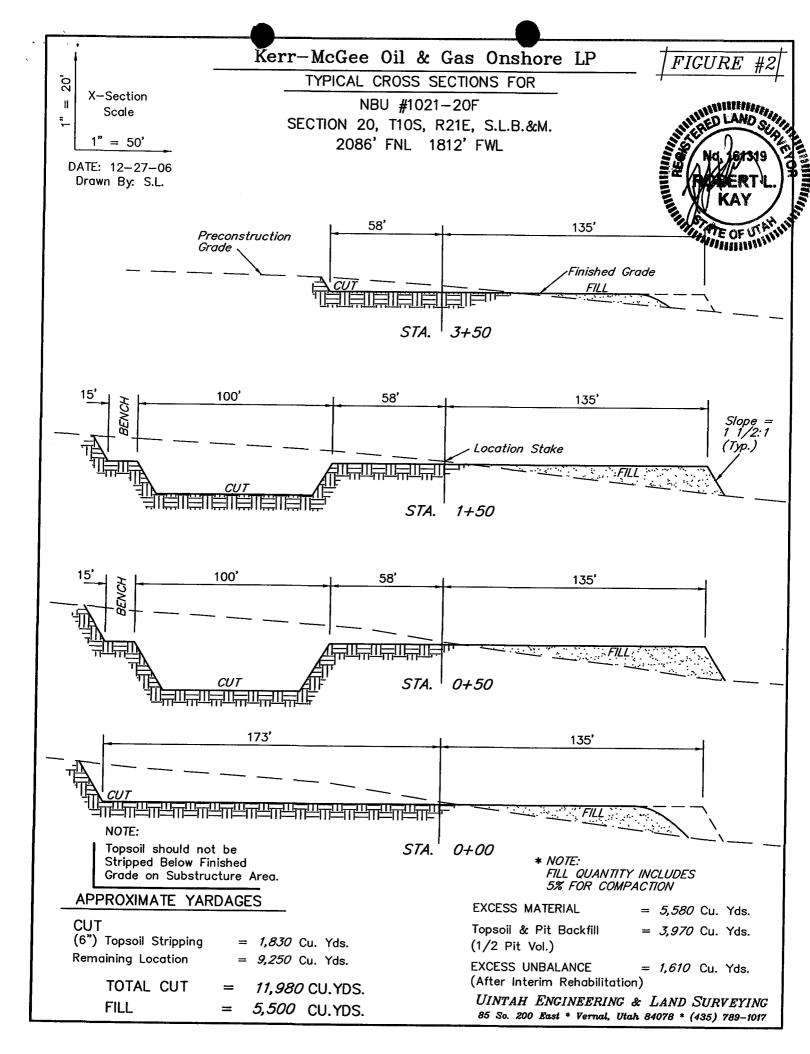
PIPELINE PHOTOS

YEAR

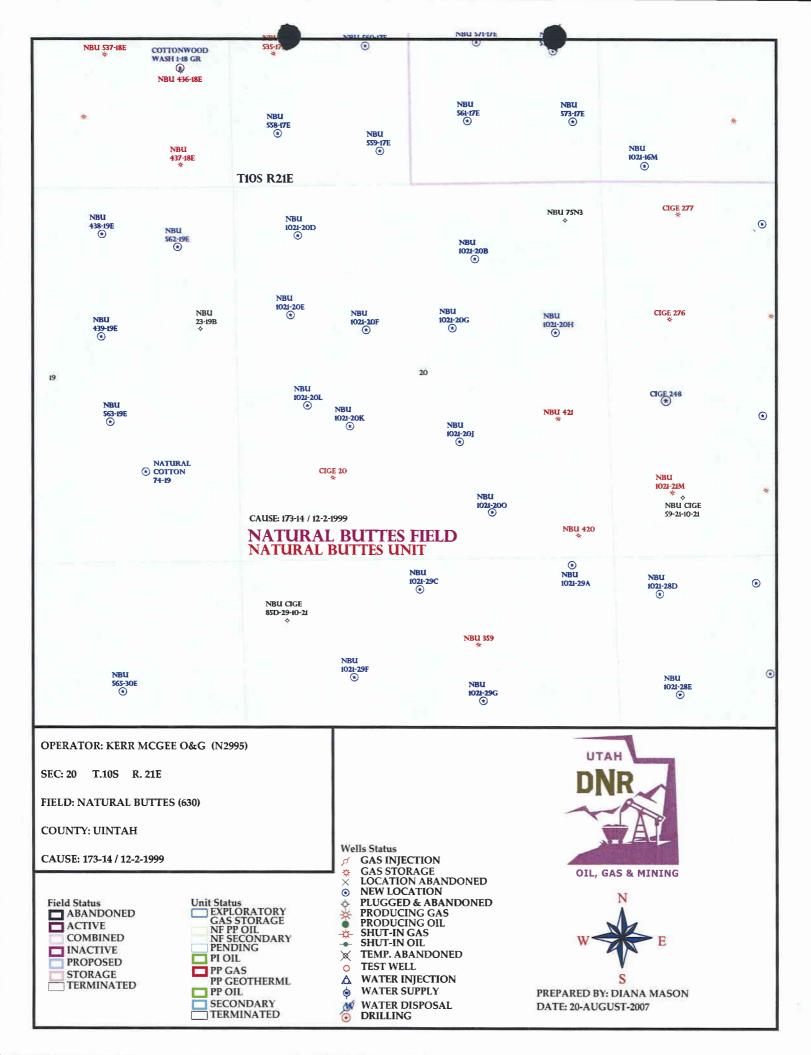
РНОТО

TAKEN BY: D.A. | DRAWN BY: L.K. | REVISED: 00-00-00





APD RECEIVED: 08/16/2007		API NO. ASSIG	GNED: 43-047	7-39527
WELL NAME: NBU 1021-20F  OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )  CONTACT: SHEILA UPCHEGO		PHONE NUMBER:	435-781-702	4
PROPOSED LOCATION:		INSPECT LOCATN	BY: /	/
SENW 20 100S 210E		Tech Review	Initials	Date
SURFACE: 2086 FNL 1812 FWL BOTTOM: 2086 FNL 1812 FWL		Engineering		
COUNTY: UINTAH		Geology		
LATITUDE: 39.93479 LONGITUDE: -109.5781 UTM SURF EASTINGS: 621497 NORTHINGS: 44212	278	Surface		
FIELD NAME: NATURAL BUTTES ( 630				
LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-02278  SURFACE OWNER: 3 - State		PROPOSED FORMA		VD
Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. RLB0005237 ) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496 ) RDCC Review (Y/N) (Date: ) Fee Surf Agreement (Y/N) Intent to Commingle (Y/N)	R Unit: R S R	ON AND SITING:  649-2-3.  NATURAL BUTTES  649-3-2. Gener iting: 460 From Q  649-3-3. Excep rilling Unit Board Cause No: Eff Date: Siting:	ral tr/Qtr & 920' B ption  173-14 124-81	COMM. Track
COMMENTS: Needs Pub	K (09-	-19-07)		
STIPULATIONS:  1 Leder 19 7-01 3-STATE	SHAL	E OF BASI	< .	
O DIRIC	. COO!	UI MASI	<u> </u>	



## **Application for Permit to Drill** Statement of Basis

9/27/2007

#### **Utah Division of Oil, Gas and Mining**

Page 1

APD No

API WellNo

**Status** 

Well Type GW

**Surf Ownr** 

**CBM** 

526

43-047-39527-00-00

Surface Owner-APD

S

No

Operator

KERR-MCGEE OIL & GAS ONSHORE, LP

NATURAL BUTTES

**Field** 

Well Name NBU 1021-20F

Unit

NATURAL BUTTES

Type of Work

Location

SENW 20 10S 21E S

2086 FNL 1812 FWL GPS Coord (UTM) 621497E 4421278N

#### **Geologic Statement of Basis**

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

**Brad Hill** 

9/19/2007

**APD Evaluator** 

Date / Time

#### **Surface Statement of Basis**

The general area is within the mid portion of the Cottonwood Wash Drainage of the Natural Buttes Unit located approximately 42 miles south and slightly west of Vernal, Utah. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 8 miles to the White River. No seeps, springs or streams exist in the area. An occasional pond collecting runoff for livestock and antelope occurs.

The NBU 1021-20F location is approximately 22.6 road miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 0.6 miles of the proposed site. New construction will be required from this point.

The proposed gas well is within a wide flat with a swale to the south. No drainage problems exist. The bottom of Cottonwood Wash is about 1/8 mile to the west.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the best site for drilling and operating a well in the immediate area.

Floyd Bartlett

9/19/2007

**Onsite Evaluator** 

Date / Time

#### Conditions of Approval / Application for Permit to Drill

Category

Condition

Pits

A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.



#### Utah Division of Oil, Gas and Mining

**Operator** 

KERR-MCGEE OIL & GAS ONSHORE, LP

Well Name

NBU 1021-20F

API Number

43-047-39527-0

IW **Sec** 20

APD No 526 Field/Unit NATURAL BUTTES

**Surface Owner** 

Location: 1/4,1/4 SENW

**GPS Coord (UTM)** 621498

4421281

Tw 10S

Rng 21E 2086 FNL 1812 FWL

#### **Participants**

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Clay Einerson, Tony Kazeck, (Kerr McGee), Luke Kay (Uintah Engineering and Land Surveying), Daniel Emmitt and Ben Williams (UDWR).

#### Regional/Local Setting & Topography

The general area is within the mid portion of the Cottonwood Wash Drainage of the Natural Buttes Unit located approximately 42 miles south and slightly west of Vernal, Utah. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 8 miles to the White River. No seeps, springs or streams exist in the area. An occasional pond collecting runoff for livestock and antelope occurs.

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The proposed gas well is within a wide flat with a swale to the south. No drainage problems exist. The bottom of Cottonwood Wash is about 1/8 mile to the west.

Both the surface and minerals are owned by SITLA.

ATV's were used to access the site.

#### Surface Use Plan

**Current Surface Use** 

Recreational

Recreational

Wildlfe Habitat

New Road

Miles

Well Pad

Src Const Material

**Surface Formation** 

0.6

Width 308

Length 350

Onsite

UNTA

Ancillary Facilities N

#### Waste Management Plan Adequate? Y

#### **Environmental Parameters**

Affected Floodplains and/or Wetland N

#### Flora / Fauna

Poorly vegetated desert shrub type. Vegetation is consists of halogeton, cheatgrass, greasewood, curly mesquite, Gardner saltbrush and spring annuals are present.

9/27/2007 Page 1



Deep gravely sandy loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

**Erosion Sedimentation Control Required?** N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

#### Reserve Pit

Site-Specific Factors		Site I	Ranking		
Distance to Groundwater (feet)	>200		0		
Distance to Surface Water (feet)	>1000		0		
Dist. Nearest Municipal Well (ft)	>5280		0		
Distance to Other Wells (feet)	300 to 1320		10		
Native Soil Type	Mod permeability		10		
Fluid Type	Fresh Water		5		
<b>Drill Cuttings</b>	Normal Rock		0		
<b>Annual Precipitation (inches)</b>	<10		0		
Affected Populations	<10		0		
<b>Presence Nearby Utility Conduits</b>	Not Present		0		
		Final Score	25	1	Sensitivity Level

#### Characteristics / Requirements

The proposed reserve pit is 100' x 150' x 10' deep located in a cut on the southeast corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 20 Pit Underlayment Required? Y

#### Other Observations / Comments

Daniel Emmett representing the UDWR was at the pre-site visit. He stated that the area is classified as critical yearlong habitat for antelope but that the lack of water not forage is the limiting factor adversely affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the locations.

ATV's were used to access the site.

Floyd Bartlett **Evaluator** 

9/19/2007 **Date / Time** 

## **United States Department of the Interior**

#### BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

August 29, 2007

#### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API# WELL NAME LOCATION

#### (Proposed PZ Wasatch/MesaVerde)

43-047-39523 NBU 921-14L Sec 14 T09S R21E 1489 FSL 0258 FWL 43-047-39524 NBU 1022-14A Sec 14 T10S R22E 1233 FNL 1317 FEL 43-047-39525 NBU 1021-20H Sec 20 T10S R21E 2186 FNL 0792 FEL 43-047-39526 NBU 1021-20G Sec 20 T10S R21E 2085 FNL 2264 FEL 43-047-39527 NBU 1021-20F Sec 20 T10S R21E 2086 FNL 1812 FWL 43-047-39528 NBU 1021-20E Sec 20 T10S R21E 2086 FNL 0732 FWL 43-047-39529 NBU 1021-20D Sec 20 T10S R21E 1848 FNL 0732 FWL 43-047-39530 NBU 1021-20D Sec 20 T10S R21E 0718 FNL 0861 FWL 43-047-39531 NBU 1021-20D Sec 20 T10S R21E 1112 FNL 1923 FEL 43-047-39532 NBU 1021-20D Sec 20 T10S R21E 1112 FNL 1923 FEL 43-047-39533 NBU 1021-20D Sec 20 T10S R21E 2170 FSL 0943 FWL 43-047-39533 NBU 1021-20L Sec 20 T10S R21E 1868 FSL 1552 FWL 43-047-39534 NBU 1021-20J Sec 20 T10S R21E 1868 FSL 1552 FWL 43-047-39534 NBU 1021-20J Sec 20 T10S R21E 1618 FSL 2195 FEL

This office has no objection to permitting the wells at this time.

bcc: File - Natural Buttes Unit
 Division of Oil Gas and Mining
 Central Files
 Agr. Sec. Chron
 Fluid Chron

MCoulthard:mc:8-29-07

From:

Ed Bonner

To:

Mason, Diana

Date:

10/18/2007 3:01 PM

Subject:

Well Clearance

CC:

Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

#### **Enduring Resources, LLC**

Hanging Rock 11-23-23-36 (API 43 047 39648)

Hanging Rock 11-23-32-36 (API 43 047 39649)

Hanging Rock 11-23-33-36 (API 43 047 39650)

Hanging Rock 11-23-22-36 (API 43 047 39651)

Hanging Rock 11-23-31-36 (API 43 047 39656)

Hanging Rock 11-23-21-36 (API 43 047 39657)

#### Kerr McGee Oil & Gas Onshore LP

NBU 1022-14A (API 43 047 39524)

NBU 1021-20H (API 43 047 39525)

NBU 1021-20G (API 43 047 39526)

NBU 1021-20F (API 43 047 39527)

NBU 1021-20E (API 43 047 39528)

NDU 1021-20L (AFI 43 047 39320)

NBU 1021-20D (API 43 047 39529)

NBU 1021-20B (API 43 047 39530)

NBU 1021-200 (API 43 047 39531)

NBU 1021-20L (API 43 047 39532)

NBU 1021-20K (API 43 047 39533)

NBU 1021-20J (API 43 047 39534)

#### Medallion Exploration

Atchee Ridge 2-20 (API 43 047 39517)

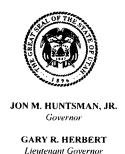
Atchee Ridge 11-20 (API 43 047 39518)

Atchee Ridge 6-20 (API 43 047 39519)

Atchee Ridge 7-20 (API 43 047 39520)

Atchee Ridge 3-20 (API 43 047 39521)

If you have any questions regarding this matter please give me a call.



# State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA Division Director

October 18, 2007

Kerr McGee Oil & Gas Onshore LP 1368 S 1200 E Vernal, UT 84078

Re:

NBU 1021-20F Well, 2086' FNL, 1812' FWL, SE NW, Sec. 20, T. 10 South, R. 21 East,

Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39527.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office

SITLA-



Location: SE NW	Sec. 20	T. 10 South	<b>R.</b> 21 East		
Lease:	UTU-02278				
API Number:	43-047-39527				
Well Name & Number	NBU 1021-20F				
Operator:	Kerr McGee Oil & Gas Onshore LP				

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

DEFARTMENT OF NATURAL RESOURCES					
DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02278				
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT of CA AGREEMENT NAME: 891008900A				
1. TYPE OF WELL OIL WELL GAS WELL OTHER	8. WELL NAME and NUMBER: NBU 1021-20F				
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP	9. API NUMBER:				
3. ADDRESS OF OPERATOR:  PHONE NUMBER:	4304739527  10. FIELD AND POOL, OR WILDCAT:				
P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779 (720) 929-6226	Natural Buttes Field				
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2086' FNL & 1812' FWL	соинту: Uintah				
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 20 10S 21E	STATE: UTAH				
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA				
TYPE OF SUBMISSION TYPE OF ACTION					
✓ NOTICE OF INTENT ☐ ACIDIZE ☐ DEEPEN	REPERFORATE CURRENT FORMATION				
(Submit in Duplicate) ALTER CASING FRACTURE TREAT	SIDETRACK TO REPAIR WELL				
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON				
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR				
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE				
SUBSEQUENT REPORT (Submit Original Form Only)  CHANGE WELL NAME PLUG BACK	WATER DISPOSAL				
Date of work completion:  CHANGE WELL STATUS  PRODUCTION (START/RESUME)	WATER SHUT-OFF				
COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE	✓ other: APD Extension				
CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	and the second s				
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volume	es, etc.				
Kerr-McGee Oil & Gas Onshore, LP, respectfully requests a one year extension on this local					
operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 10/18/2	3007.				
Approved by the					
Approved by the Utah Division of					
Oil Cas and Mining					
Oil, Gas and Mining					
Date: 10-15-98A					
Z (// )(a) // )					
By:					
NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analy	st				
The state of the s					
SIGNATURE					
This space for State use only)					
COPY SENT TO OPERATOR	RECEIVED				
COTT SENT TO CENTION	DCT 1 4 2000				

(5/2000)

(See Instructions on Reverse Side)

ULI 14 2008

DIV. OF OIL, GAS & MINING



# Application for Permit to Drill Request for Permit Extension Validation

Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 4304739527 Well Name: NBU 1021-20F Location: SENW 2086' FNL & 1812' FWL, Sec. Company Permit Issued to: Kerr-McGee Oil Date Original Permit Issued: 10/18/2007	
The undersigned as owner with legal rights to above, hereby verifies that the information as approved application to drill, remains valid and	submitted in the previously
Following is a checklist of some items related verified.	to the application, which should be
f located on private land, has the ownership o agreement been updated? Yes⊡No☑	hanged, if so, has the surface
Have any wells been drilled in the vicinity of the he spacing or siting requirements for this locate	
Has there been any unit or other agreements permitting or operation of this proposed well?	•
Have there been any changes to the access re of-way, which could affect the proposed locati	• • •
Has the approved source of water for drilling o	hanged? Yes□No☑
Have there been any physical changes to the which will require a change in plans from whatevaluation? Yes□No☑	
s bonding still in place, which covers this prop	oosed well? Yes⊠No□
kin me	10/13/2008
Signature	Date
Fitle: Regulatory Analyst	
Representing: Kerr-McGee Oil & Gas Onshore, LP	
— * · · · · · · · · · · · · · · · · · ·	RECEIVED

OCT 1 4 2008

## RECEIVED VERHAL FIELD OFFICE

Form 3160-3 (August 1999)

2007 AUG 16 PM 3:47

FORM APPROVED OMB No. 1004-0136

#### UNITED STATES

DEPARTMENT OF THE INTERIOR OF THE HITERIOR

Expires November 30, 2000

5. Lease Serial No.

BUREAU OF LAND MAN	IAGEMEN	ancau up EAP	IU MGMT	UTU-02278			
APPLICATION FOR PERMIT TO				6. If Indian, Allotte	e or Tribe Name		
la. Type of Work: X DRILL RE	ENTER			7. If Unit or CA A	greement, Name and No.		
				UNIT #8910089			
	_	1		8. Lease Name and			
b. Type of Well: Oil Well X Gas Well Other		Single Zone	Multiple Zone	NBU 1021-2	0F		
2. Name of Operator KERR McGEE OIL & GAS ONSHORE LP				9. API Well No. 43-247-	39527		
3A. Address		No. (include area co	de)	10. Field and Pool,			
	1368 SOUTH 1200 EAST VERNAL, UT 84078 (435) 781-7024			NATURAL BUT	NATURAL BUTTES		
4. Location of Well (Report location clearly and in accordance with At surface SE/NW 2086'FNL, 1812'FWL	any State r	equirements.*)		11. Sec., T., R., M.	, or Blk, and Survey or Area		
At proposed prod. Zone				SEC. 20, T10S,	R21E		
<ol> <li>Distance in miles and direction from nearest town or post office*</li> <li>MILES SOUTHEAST OF OURAY, UTAH</li> </ol>	, , , , , , , , , , , , , , , , , , , ,			12. County or Paris UINTAH	h 13. State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. o	f Acres in lease	17. Spacing Un	nit dedicated to this well			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  REFER TO TOPO C	19. Propo <b>9480'</b>	Proposed Depth 20. BLM/BIA Bot BOND NO: W					
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5191'GL	22. Appro	oximate date work wi	ll start*	23. Estimated durat	ion		
	24.	Attachments					
The following, completed in accordance with the requirements of Ons	hore Oil an	d Gas Order No. 1, sl	nall be attached to	this form:	, , , , , , , , , , , , , , , , , , ,		
1. Well plat certified by a registered surveyor.		4. Bond to co	ver the operation	ns unless covered by an exis	sting bond on file (see		
2. A Drilling Plan. Item 20 above).							
3. A Surface Use Plan (if the location is on National Forest System L	ands, the	5. Operator ce	rtification.				
SUPO shall be filed with the appropriate Forest Service Office.		6. Such other s	•	mation and/or plans as may	be required by the		
25. Signature 11-11 11 11 11	,	lame (Printed/Typed)			Date		
HIJUMU HIJUMANC	<u>/ 'S</u>	HEILA UPCHE	GO		8/8/2007		
SENIOR LAND ADMIN SPECIALIST							
Approved by (Signature)	- in	lame (Printed/Typed)	/		MET 0 1 2008		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Conditions of approval, if any, are attached.

NUITCE OF AFFHOVAL

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisd

\*(Instructions on reverse)

Title

DEC 0 9 2008

vernal field office

DIV. OF OIL, GAS & MINING
CONDITIONS OF APPROVAL ATTACHE

07PP1343A

NOS 1/27/07



# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



# CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No:

Kerr McGee Oil & Gas

NBU 1021-20F

API No: 43-047-39527

Location: Lease No:

SENW, Sec.20,T10S,R21E

: UTU-02278

Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(****) 525 55 15
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	( === ) ====

Fax: (435) 781-3420

# A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### **NOTIFICATION REQUIREMENTS**

Location Construction
(Notify Environmental Scientist)
Location Completion
(Notify Environmental Scientist)
Spud Notice
(Notify Petroleum Engineer)
Casing String & Cementing
(Notify Supv. Petroleum Tech.)
BOP & Related Equipment Tests
(Notify Supv. Petroleum Tech.)
First Production Notice
(Notify Petroleum Engineer)

- Forty-Eight (48) hours prior to construction of location and access roads.
- Prior to moving on the drilling ria.
- Twenty-Four (24) hours prior to spudding the well.
- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- Twenty-Four (24) hours prior to initiating pressure tests.
- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: NBU 1021-20F 12/2/2008

#### SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

#### SITE SPECIFIC CONDITIONS OF APPROVAL

- NBU 1021-20K will have drainage diverted around pad
- Conditions as set forth by the surface owners and/or agencies.
- Surface conditions of approval are contained in the surface use plan of the APD.

Page 3 of 6 Well: NBU 1021-20F

12/2/2008

#### DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

### SITE SPECIFIC DOWNHOLE COAs:

- NBU 1021-20K will have drainage diverted around pad.
- Conditions as set forth by the surface owners and/or agencies.
- Surface conditions of approval are contained in the surface use plan of the APD.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

# DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
  daily drilling report. Components shall be operated and tested as required by Onshore Oil &
  Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
  performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
  reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
  is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
  Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of

Page 4 of 6 Well: NBU 1021-20F 12/2/2008

each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 5 of 6 Well: NBU 1021-20F

12/2/2008

#### **OPERATING REQUIREMENT REMINDERS:**

• All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written
  communication and must be received in this office by not later than the fifth business day
  following the date on which the well is placed on production. The notification shall provide, as a
  minimum, the following informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - o Unit agreement and/or participating area name and number, if applicable.
  - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

Page 6 of 6 Well: NBU 1021-20F 12/2/2008

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
  to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
  first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
  adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
  sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior
  approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
  days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
  before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH		FORM 9	
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-02278	
SUND	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen o gged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1021-20F
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONS	HORE, L.P.		9. API NUMBER: 43047395270000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th S	treet, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2086 FNL 1812 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SENW Section: 20	rp, range, meridian: Township: 10.0S Range: 21.0E Meridian: S	5	STATE: UTAH
11.	CK APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 10/10/2009	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ FRACTURE TREAT ☐ PLUG AND ABANDON	□ NEW CONSTRUCTION □ PLUG BACK
	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
Dute of Spau.	TUBING REPAIR  TUBING	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:
12 DESCRIPE PROPOSED OR CO			'
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.  Approved by the Utah Division of Oil, Gas and Mining			
		<b>D</b>	_
		<b>–</b>	ate: October 08, 2009
		В	A: Dog All
NAME (PLEASE PRINT) Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	TITLE Regulatory Analyst	
SIGNATURE N/A		<b>DATE</b> 10/6/2009	



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047395270000

**API:** 43047395270000 **Well Name:** NBU 1021-20F

Location: 2086 FNL 1812 FWL QTR SENW SEC 20 TWNP 100S RNG 210E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/18/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

ire revision. Following is a checklist of some items related to the application, which should be verified.
<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No</li> </ul>
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes No</li> </ul>
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   • Yes   • No Utah Division of Oil, Gas and Mining
D 1 II DI 1 1 10/5/2000

**Signature:** Danielle Piernot **Date:** 10/6/2009

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHOR October 08, 2009

Bv:

STATE OF UTAH		FORM 9	
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-02278	
	RY NOTICES AND REPORTS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	sals to drill new wells, significantly deeper ugged wells, or to drill horizontal laterals. ·	n existing wells below current Use APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1021-20F
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONS	HORE, L.P.		9. API NUMBER: 43047395270000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th S	PHC treet, Suite 600, Denver, CO, 80217 3779	<b>DNE NUMBER:</b> 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2086 FNL 1812 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SENW Section: 20	rp, RANGE, MERIDIAN: Township: 10.0S Range: 21.0E Meridian:	S	STATE: UTAH
11.	CK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
7	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR
✓ NOTICE OF INTENT Approximate date work will start: 10/25/2010	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
10/23/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ ☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	U TUBING REPAIR  WATER SHUTOFF	U VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:		SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.  Approved by the Utah Division of Oil, Gas and Mining			
		D	ate: October 25, 2010
		В	y: Balgall
			7,2
NAME (PLEASE PRINT) Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	TITLE Regulatory Analyst	
SIGNATURE N/A		<b>DATE</b> 10/25/2010	



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047395270000

**API:** 43047395270000 Well Name: NBU 1021-20F

Location: 2086 FNL 1812 FWL QTR SENW SEC 20 TWNP 100S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/18/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not requ

iire revi	sion. Following is a c	hecklist of so	ome items related to t	the application, v	which should be verified.
	ated on private land, ed? 🦲 Yes 📵 No		ership changed, if so,	has the surface	agreement been
	any wells been drille requirements for thi		nity of the proposed w Yes 📵 No	ell which would	affect the spacing or
	here been any unit or s proposed well?			at could affect th	e permitting or operation
	there been any chan the proposed location			ownership, or rig	htof- way, which could
• Has th	ne approved source o	of water for d	Irilling changed? 🔵	Yes 📵 No	
			to the surface locatio sed at the onsite evalu		
• Is bor	nding still in place, w	hich covers t	this proposed well? (	🅦 Yes 🔵 No	Approved by the Utah Division of I, Gas and Mining
	Danielle Piernot		10/25/2010	_	
Title:	Regulatory Analyst Re	epresenting:	KERR-MCGEE OIL & GA	S ONSHOR <b>₽at.</b> ₽;_	October 25, 2010

Sigi

Form 3160-5 (August 2007)

#### UNITED STATES DEPARTMENT OF THE INTERIOR RECEIVED **UNITED STATES** BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLSNOV 0 2 2010

UTU02278

Do not use this form for proposals to drill or to re-enter an

abandoned well. Use form 3160-3 (APD) for such proposals.			6. If Indian, Allottee of	or Tribe Name
SUBMIT IN TRI	7. If Unit or CA/Agre UTU63047A	ement, Name and/or No		
1. Type of Well	8. Well Name and No. NBU 1021-20F			
Oil Well Gas Well Otl  Name of Operator	Contact: D	ANIELLE E PIERNOT	9. API Well No.	
KERR MCGEE OIL & GAS O	NSHOREELMail: danielle.pier	not@anadarko.com	43-047-39527-0	00-X1
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		3b. Phone No. (include area code Ph: 720-929-6156 Fx: 720-929-7156	e) 10. Field and Pool, or NATURAL BUT	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)		11. County or Parish,	and State
Sec 20 T10S R21E SENW 20	86FNL 1812FWL		UINTAH COUN	TY, UT
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REPORT, OR OTHE	R DATA
TYPE OF SUBMISSION		ТҮРЕ О	F ACTION	
Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	□ Water Shut-Off
: <b>=</b>	☐ Alter Casing	☐ Fracture Treat	□ Reclamation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recomplete	Other Change to Origina
☐ Final Abandonment Notice	☐ Change Plans	Plug and Abandon	☐ Temporarily Abandon	PD Change to Origina
13. Describe Proposed or Completed Ope	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	
Kerr-McGee Oil & Gas Onshothe maximum time allowed. Plyou.	nal inspection.)  re, L.P. (Kerr-McGee) respected the undersign REC)  JAN 2  DIV. OF OIL,  APPROVAL A	ectfully requests an extensined with any questions and EIVED 2 0 2011  GAS & MINING	on to this APD for for comments. Thank  VERNAL FIELD OFFICE ENG. **LH** 11/29/10  GEOL	and the operator has
14. Thereby certify that the foregoing is	Electronic Submission #96	421 verified by the BLM Wel	I Information System	
Comn	For KERR MCGEE C nitted to AFMSS for process	DIL & GAS ∮NŚHORE L, sen ing by ROB∥N R. HANSEN or	it to the Vernal n 11/05/2010 (11RRH0146SE)	•
Name (Printed/Typed) DANIELLE		i '	ATORY ANALYST I	
Signature (Electronic S	· · · · · · · · · · · · · · · · · · ·	Date 11/02/2		
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE	
Approved By ame I	Hatch	acting from	100 & Minerals	13/6/2016 Date
conditions of approval, if any, are attached ertify that the applicant holds legal or equal which would entitle the applicant to condu-	itable title to those rights in the successions thereon.	ubject lease Office	nal Field Ofs	lice .
itle 18 U.S.C. Section 1001 and Title 43 US States any false, fictitious or fraudulent states	J.S.C. Section 1212, make it a createments or representations as to	ime for any person knowingly and any matter within its jurisdiction	d willfully to make to any department or	agency of the United

# Send Email

From:

robinhansen@blm.gov

To:

danielle.piernot@anadarko.com

CC:

Subject:

Well NBU 1021-20F

Message:

The sundry for Change to Original APD you submitted has been approved by the BLM. Your original EC transmission was assigned ID 96421. Please be sure to open and save all attachments to this message, since they contain important

information.

Extension approved until 12/4/2012 No other extensions will be approved.

Attachments:

EC96421.pdf

Approved By:

NAOMI HATCH

**ACTING, AFM FOR MINERAL RESOURCES** 

Status:

Sent

2010-12-06 13:20:17

STATE OF UTAH  DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING  SUNDRY NOTICES AND REPORTS ON WELLS			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-02278  6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen ex gged wells, or to drill horizontal laterals. Use		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
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<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th S	PHONE treet, Suite 600, Denver, CO, 80217 3779	NUMBER: 720 929-6515 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2086 FNL 1812 FWL QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SENW Section: 20	P, RANGE, MERIDIAN: Township: 10.0S Range: 21.0E Meridian: S		COUNTY: UINTAH STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Kerr-McGee Oil & G extension to this A	CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF  WILDCAT WELL DETERMINATION  MPLETED OPERATIONS. Clearly show all pertine as Onshore, L.P. (Kerr-McGee) in APD for the maximum time allow with any questions and/or committed.	respectfully requests an red. Please contact the	CASING REPAIR  CHANGE WELL NAME  CONVERT WELL TYPE  NEW CONSTRUCTION  PLUG BACK  RECOMPLETE DIFFERENT FORMATION  TEMPORARY ABANDON  WATER DISPOSAL  ✓ APD EXTENSION  OTHER:
NAME (PLEASE PRINT) Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	TITLE Regulatory Analyst	
SIGNATURE N/A		<b>DATE</b> 9/19/2011	



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047395270000

**API:** 43047395270000 **Well Name:** NBU 1021-20F

Location: 2086 FNL 1812 FWL QTR SENW SEC 20 TWNP 100S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/18/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated?</li> <li>Yes </li> <li>No</li> </ul>
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?</li> <li>Yes </li> <li>No</li> </ul>
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   Yes   No
D-1 0/10/2011

**Signature:** Danielle Piernot **Date:** 9/19/2011

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.



# State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

March 13, 2012

Jenn Hawkins Kerr McGee Oil & Gas Onshore, L.P. 1099 18th Street, Suite 1800 Denver, CO 80202 43 047 39527 NBU 1021-20F 108 21 = 20

Re:

APDs Rescinded for Kerr McGee Oil & Gas Onshore, L.P.

**Uintah County** 

Dear Ms. Hawkins:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 7, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

iane the laser

cc: Well File

Bureau of Land Management, Vernal

SITLA, Ed Bonner



	APINumber	Well Name
	4304750274	NBU 727-35E
	4304737762	FEDERAL 920-24G
	4304757702	FEDERAL 1022-15L
	4304750440	FEDERAL 1022-15K
	4304750441	FEDERAL 1021-25I
	4304750442	FEDERAL 1021-25M
	4304750443	FEDERAL 1021-25N
	4304738796	FEDERAL 1022-27K
	4304738980	BITTER CREEK 1122-3N
	4304737763	FEDERAL 920-24H
	4304739156	NBU 1022-24O
	4304736573	NBU 1022-23C
	4304751040	NBU 920-22L4CS
	4304751041	NBU 920-22M1BS
	4304751042	NBU 920-22M4BS
	4304751051	NBU 920-23L2DS
	4304751052	NBU 920-23L4BS
	4304731032	NBU 1022-8B-4T
	4304739253	NBU 921-15L
	4304739255	NBU 1022-20B
	-	NBU 1022-28I
	4304738169	NBU 922-33N4S
	4304750464	
	4304750465	NBU 922-33O4S
	4304750466	NBU 922-33P2S
	4304750467	NBU 922-33P3S
	4304738820	LOVE 1121-18B
	4304740189	NBU 922-35IT
	4304738491	NBU 1022-5H-4
	4304750093	NBU 1022-34F
	4304750094	NBU 1022-35M
	4304750095	NBU 1022-34E
	4304750097	FEDERAL 1022-27M
	4304750067	NBU 921-16F3S
	4304750068	NBU 921-16E4S
	4304737103	FEDERAL 1022-29C
	4304750127	NBU 420-29E
ϡ	4304739527	NBU 1021-20F
•	4304739528	NBU 1021-20E
	4304739530	NBU 1021-20B
	4304738741	LOVE 1121-7P
	4304738742	LOVE 1121-7L
	4304738744	LOVE 1121-7F
	4304738745	LOVE 1121-7D
	4304738747	LOVE 1121-8P
	4304738750	LOVE 1121-8F
	4304738754	LOVE 1121-15L
	4304738755	LOVE 1121-15N
	4304739525	NBU 1021-20H
	4304738795	NBU 1022-27O
	4304738807	NBU 1022-34D
	4304738920	NBU 1022-4E-3
	4304737547	NBU 1022-17P
	4304751050	NBU 920-23L1BS
	4304737907	NBU 1021-3L
	4304737908	NBU 1021-3D

4304737909	NBU 1021-3H
4304737917	NBU 1021-25E
4304737911	NBU 1021-24C
4304750029	NBU 375-13E
4304750033	NBU 515-25E
4304750034	NBU 673-25E
4304750035	NBU 674-25E
4304737963	NBU 1021-3G
4304737965	NBU 1021-5D
4304737684	NBU 498-13E

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